

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**  
**DOER-1-1:** When did Berkshire initially evaluate its decision to renew or terminate its Boundary supply contract?

**Response:** The Company continually monitors and evaluates its resource plan, on both a short and long-term basis, to ensure it considers resource alternatives as contracts are due to expire. As noted in the Company's Forecast and Supply Plan, the Company analyzes its long-term resource requirements at least twice per year and will perform additional analyses when mandated by particular circumstances. In the case of the Boundary supply contract, it was first necessary to evaluate whether to renew the Company's capacity rights on the Tennessee Gas Pipeline Company system. Thus, Berkshire evaluated its decision to renew or terminate the contract when a notice was issued by Tennessee on September 7, 2001 regarding the renewal of the Gas Transportation Agreement related to this supply source. At that time, the Company recognized the likely benefits of retaining a Canadian source of supply and the likely prospect of securing a supply contract on favorable terms, particularly given the established purchasing collaborative. Once the decision was made to renew the Transportation Agreement, the Company was committed to continuing its participation in the Boundary Working Group to replace the Boundary supply contract. The Working Group issued an RFP on November 21, 2001 seeking replacement supplies. The remainder of the bidding, evaluation and negotiation processes are described in my testimony.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**

**DOER-1-2:** Please provide the Tennessee transportation contract(s) that will be relied upon to transport the EnCana supply to Berkshire's city gates, including all amendments and revisions to said contract(s).

**Response:** Berkshire has historically been provided transportation service to its city gates for Canadian gas supply via Tennessee contract numbers 2063 and 2064. Contract number 2063 was a CGT-NE contract while contract number 2064 was an FT-A contract. Both of those contracts are attached. Effective January 15, 2003, Berkshire has elected to convert contract number 2063 to be a FT-A contract which will expire March 31, 2008. The FT-A contract is about one-third the cost of the CGT-NE contract. This election was based on options that were offered by Tennessee to renew or terminate the agreement. A description of the options, along with the Company's election, are attached. The various alternatives and the Company's analysis were presented in the Company's most recent Forecast and Supply Plan filing (pages 59 through 62 of D.T.E. 02-17). Correspondence with respect to this election is also attached hereto.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**

**DOER-1-3:** Please explain, in evaluating alternative supply resources as most effective and least-cost to Berkshire, whether Berkshire included in its analysis the transportation cost(s) associated with transporting gas to Berkshire's city gates. If such cost(s) were included, please explain the methodology employed.

**Response:** The Company is served by a single pipeline. As a practical matter, the Company has recognized that the cost of transporting gas to Berkshire's city gates will generally be the same regardless of which supply options are chosen as long as the gas is being transported on the Tennessee Gas Pipeline system. Therefore, absent this initial consideration, the Company has determined that the more effective analysis to consider is whether there are alternative ways of delivering the gas to the city gate that would be as reliable and cost effective as the Tennessee Gas Pipeline system. The incremental difference in transportation cost is then analyzed in terms of total supply cost in performing cost analysis.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**  
**DOER-1-4:** Did Berkshire renew, rollover, extend, or modify the Tennessee transportation contract(s) relied upon to transport the EnCana supply to Berkshire's city gates? If so, please identify such renewals, rollovers, extensions, or modifications changes, including the effective date(s).

**Response:** See the Company's response to DOER-1-2.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**

**DOER-1-5:** Please provide all Department Orders approving the Tennessee transportation contract(s), including all revisions and amendments to such contract(s). If no Orders or other approvals were issued by the Department, please explain the absence of such Orders or approvals.

**Response:** The Company described the Tennessee contract revisions in its Forecast and Supply Plan filing, DTE 02-17, which was submitted to the Department on March 15, 2002. The Company anticipates receiving an Order in the Forecast and Supply Plan prior to the amendment to the Tennessee transportation contract becoming effective.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink

**Date:** November 1, 2002

**Question:**

**DOER-1-6:** When did Berkshire initially evaluate its decision to renew, extend, or rollover its Tennessee transportation contract(s)?

**Response:** See the Company's response to DOER-1-1.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**  
**DOER-1-7:** When did Berkshire notify marketers of the possibility that it would change its supply resource portfolio?

**Response:** The Company sent letters to marketers on October 16, 2001 regarding the Tennessee transportation of its Canadian gas supplies seeking comments on the options available. Further, the Company sent letters to marketers on March 7, 2002 regarding the Canadian gas supply seeking comments. Copies of both letters and a list of marketer recipients are attached for your review. One marketer acknowledged receipt of these materials and concurred with the Company's election to convert its transportation agreement. No marketer responses were received by the Company on the Canadian gas supply.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**  
**DOER-1-8:** Please provide all web site postings, including all notifications, information, and correspondence by or between Berkshire and marketers relating to Berkshire's decision to contract with EnCana and to renew, extend, or rollover the Tennessee transportation contract(s).

**Response:** See the response to DOER-1-7.



**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink

**Date:** November 1, 2002

**Question:**

**DOER-1-9:** Please provide all information and correspondence by and between Berkshire and marketers relating to the results of the final resource contracts.

**Response:** See the response to DOER 1-7.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**

**DOER-1-10:** Does Berkshire conduct an annual meeting, or any other regularly scheduled meeting, with marketers to discuss Berkshire's resource plans and upcoming resource decisions? If such a meeting has been or were to be conducted, what were the costs or what would the costs be?

**Response:** The Company had its first annual meeting with marketers by participating in a joint LDC/marketer meeting hosted by Bay State Gas Company in February 2001. At that meeting, representatives of various Massachusetts LDCs along with marketers met to discuss transportation issues and unbundling in Massachusetts. Further, as resource decisions are being evaluated, the Company has notified marketers in writing and seeks their comments. If the Company were to conduct its own meeting, the costs would include a meeting hall, refreshments, handouts, etc. and would cost several thousand dollars. More significantly, given the Company's size and location, the Company would not expect significant attendance. Accordingly, the Company has elected to structure its interaction with marketers through industry group meetings.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**

**DOER-1-11:** Would Berkshire be agreeable to voluntarily conducting one regular, annual meeting with marketers to discuss resource planning and resource decisions? If so, would Berkshire agree to memorialize such agreement in its tariff?

**Response:** The Company would be agreeable to conducting one regular, annual meeting with marketers, but, for the reasons described in the response to DOER 1-10, would suggest that the Company continue to maintain the flexibility to conduct such meetings on an effective basis. Specifically, the Company believes that it will remain beneficial for such meetings to be conducted jointly with one or more Massachusetts LDCs. Berkshire does not believe that it is necessary that this commitment be memorialized in a tariff. If such requirement is determined to be beneficial, Berkshire would suggest that it be handled in a manner that would be the same for all LDCs consistent with the generic terms and conditions.

**Division of Energy Resources  
First Set of Information Requests**

**THE BERKSHIRE GAS COMPANY  
D.T.E. 02-56**

**Witness:** Karen L. Zink  
**Date:** November 1, 2002

**Question:**

**DOER-1-12:** Did Berkshire issue an RFP to any marketers providing service to customers within its service territory? If so, please identify all such marketers. If not, please explain why such RFP was not issued.

**Response:** Berkshire did not issue an RFP to any marketers providing service to customers within its service territory since Berkshire is aware that the expertise of these entities is not in producing and supplying gas, rather it is in the area of marketing the gas supply. The only recipient of the RFP that had any relationship to Berkshire or its customers was BP Energy, which provides portfolio optimization and supply service to Berkshire.